

**BEFORE THE
PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO. 2011-489-C

IN RE:)
)
)
Application of SC Lifeline, Inc. d/b/a)
ClearTalk for Designation as an)
Eligible Telecommunications Carrier)
)

DIRECT TESTIMONY OF ADILIA AGUILAR
ON BEHALF OF SC LIFELINE, D/B/A
CLEARTALK

1 **Q. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS.**

2 A. My name is Adilia Aguilar. I am the Program Manager for ClearTalk. My business
3 address is 2101 Main Street, Unit J, Columbia, South Carolina 29201.

4
5 **Q. PLEASE BRIEFLY DESCRIBE YOUR BACKGROUND AND**
6 **QUALIFICATIONS.**

7 A. I'm a CPA and have been working with Clear Talk for 12 years. I have been involved in
8 many facets of the business including the day to day operations in Customer Care,
9 Accounting and Finances and have performed most of the regulatory filings. Prior to
10 joining ClearTalk, I worked at a manufacturing company for 4 years as the Director of
11 Customer Relations and as a Tax Accountant for several accounting firms for over 10
12 years.

13
14 **Q. PLEASE DESCRIBE YOUR RESPONSIBILITIES.**

15 A. My responsibilities include managing the daily operations of ClearTalk. I also oversee
16 the Eligible Telecommunications Carrier ("ETC") designation process in new states.

17
18 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

19 A. The purpose of my testimony is to discuss ClearTalk's qualifications to be designated as
20 an ETC by this Commission for the purposes of receiving federal universal service
21 "Lifeline" support, and why such designation will serve consumers and the public interest

1 generally. I would like to incorporate by reference into this Testimony ClearTalk's
2 Application filed in this Docket.

3
4 **Q. PLEASE DESCRIBE CLEAR TALK.**

5 A. ClearTalk is a facilities-based wireless service provider that offers mobile voice and
6 broadband service. ClearTalk provides wireless voice service on a short-term, low-cost
7 basis. It provides this service over its U.S.-developed, cutting-edge 3G network, which
8 uses a third less power than traditional installations and delivers enhanced signal strength
9 and coverage. ClearTalk has been building mobile networks in underserved areas of the
10 country since 1999. In the past ten years, ClearTalk has built wireless networks in 17
11 different markets and constructed or acquired over 500 telecommunication sites. Its
12 markets include or have included Colorado (Grand Junction), Idaho (Pocatello, Twin
13 Falls, Idaho Falls), Tennessee (Jackson, Dyersburg), Alabama (Florence), Arizona
14 (Yuma), California (El Centro), and Florida (Jacksonville). In just the last four years,
15 ClearTalk has built over 300 communication sites and is today one of the largest tower
16 owners in the US. Its network has expanded not only through the growth of its own
17 network but through roaming agreements with larger carriers. In the future, ClearTalk
18 will continue to identify and reach out to unserved and underserved markets, where
19 affordable service can provide much-needed voice options for consumers.

20
21 **Q. HAS CLEAR TALK BEEN CERTIFIED AS AN ETC IN ANY OTHER STATE?**

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1 A. Yes. ClearTalk was previously designated as an ETC in both Idaho and Colorado, and
2 provided Lifeline service to over 4,000 customers in those states. ClearTalk has sold
3 those markets, and accordingly no longer is designated as an ETC in those states.

4
5 **Q. HAS CLEARTALK EVER HAD AN APPLICATION FOR ETC DESIGNATION**
6 **DENIED?**

7 A. Yes. ClearTalk was denied ETC status for high cost support in Idaho, but was granted
8 ETC for Lifeline. However, the ETC was only denied because of a consortium of ETC
9 carriers that were set on preventing the entry of other ETCs. Rather than appealing the
10 Idaho PUC's decision, ClearTalk worked cooperatively with the group of opposing ETC
11 carriers to provide high cost development under their ETC designations.

12
13 **Q. WHAT IS THE AREA IN WHICH CLEARTALK SEEKS DESIGNATION AS A**
14 **WIRELESS ETC?**

15 A. If approved as an ETC, ClearTalk plans to start aggressively advertising and providing
16 Lifeline service in its authorized service area, which includes wire centers in Saluda,
17 Newberry, Fairfield, Lexington, Kershaw, Lee, Sumter, Calhoun, Orangeburg,
18 Clarendon, Richland, Oconee, Greenville, Anderson, Cherokee, Union, Laurens,
19 Abbeville, McCormick, Spartanburg, Pickens, and Greenwood counties. ClearTalk does
20 not request ETC designation in any rural area at this time. Attached to the Application as
21 **Exhibit One** is a list of the AT&T wire centers for which ClearTalk seeks ETC
22 designation.

1 **Q. IS CLEARTALK SEEKING DESIGNATION FOR PURPOSES OF RECEIVING**
2 **HIGH-COST SUPPORT FROM THE FEDERAL USF?**

3 A. No. ClearTalk only seeks ETC designation in order to receive low-income support from
4 the federal USF.

5
6 **Q. DOES CLEARTALK SEEK REIMBURSEMENT FROM THE SOUTH**
7 **CAROLINA UNIVERSAL SERVICE FUND?**

8 A. No.

9
10 **Q. PLEASE DESCRIBE CLEARTALK'S WIRELESS LIFELINE OFFERING.**

11 A. Plans will be 250 minutes for free, or a credit of \$13.50 toward any of ClearTalk's
12 unlimited plans, including: (1) Unlimited \$25 plan including unlimited calls, text and
13 mobile web data on ClearTalk's network, and 200 minutes for calls on roaming; (2)
14 Unlimited \$35 plan including unlimited calls, text and mobile web data on ClearTalk's
15 network, unlimited calls while roaming, and 50 megabytes mobile web data on roaming
16 networks; (3) Unlimited \$45 plan including unlimited calls, text and data on ClearTalk's
17 network, unlimited calls while roaming, and 100 megabytes data on roaming networks.
18 Regarding handsets, ClearTalk will provide basic voice-capable handsets at a cost of no
19 more than \$25.00, and as low as \$0.00 for factory refurbished phones or other ultra low
20 cost phones when such phones are available.

1 **Q. WILL LOW INCOME CUSTOMERS BE REQUIRED TO PAY FOR**
2 **HANDSETS?**

3 A. Depending on availability of ultra low cost phones, low income customers may be
4 provided with phones without charge. In any case, low income customers will be able to
5 purchase handsets for a maximum cost of \$25.00.

6
7 **Q. HOW WILL CUSTOMERS SIGN UP FOR SERVICE?**

8 A. ClearTalk will require the customer to complete an application for Lifeline services. The
9 application will require the customer to certify under penalty of perjury by way of
10 electronic signature that the customer receives benefits from at least one of the qualifying
11 programs and identifies the program or programs from which that customer receives
12 benefits.

13
14 **Q. PLEASE EXPLAIN HOW CLEAR TALK MEETS THE REQUIREMENTS FOR**
15 **ETC DESIGNATION.**

16 A. ClearTalk meets the requirements for designation as an ETC as established under federal
17 statutory law (47 U.S.C. § 214(e)), FCC regulation (47 C.F.R. § 54.201), and
18 Commission Rule 103-690.C. Specifically, ClearTalk: (i) is a common carrier; (ii) will
19 offer the services supported by federal universal service support mechanisms as defined
20 in 47 C.F.R. § 54.101(a); (iii) will use its own facilities to provide the supported services;
21 (iv) will provide the supported services throughout its designated service area; (v) will
22 advertise the availability of its universal service offerings and charges for such offerings
23 using media of general distribution; (vi) will make available Low Income service to

1 qualifying low income consumers; and (vii) will offer a local usage plan comparable to
2 the one offered by the incumbent LEC in its service area in South Carolina.

3
4 **Q. IS CLEAR TALK A COMMON CARRIER IN THE AREAS FOR WHICH IT**
5 **SEEKS DESIGNATION IN THIS PROCEEDING?**

6 A. Yes. ClearTalk will provide wireless service throughout its requested Designated Service
7 Area, and therefore meets the ETC requirement of being a common carrier.

8
9 **Q. WHAT ARE THE SUPPORTED SERVICES THAT CLEAR TALK IS REQUIRED**
10 **TO OFFER?**

11 A. Under Commission Rule 103-690.C, ClearTalk is required to offer the nine services set
12 forth in FCC Rule 54.101(a). Specifically, these services are: (1) voice grade access to
13 the public switched telephone network; (2) local usage; (3) dual tone multi-frequency
14 (“DTMF”) signaling or its functional equivalent; (4) single party service or its functional
15 equivalent; (5) access to emergency services; (6) access to operator services; (7) access to
16 interexchange service; (8) access to directory assistance; and (9) toll limitation for
17 qualifying low-income consumers.

18
19 **Q. HOW WILL CLEAR TALK PROVIDE THESE SERVICES?**

20 A. These nine supported services will be provided in the following manner:

21 Voice Grade Access To The Public Switched Telephone Network

22 ClearTalk provides “voice grade access to the public switched network,” as required by
23 Section 54.101(a)(1) of the FCC’s rules. Specifically, it provides its customers the ability

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1 to “transmit voice communications, including signaling the network that the caller wishes
2 to place a call, and to receive voice communications, including receiving a signal
3 indicating that there is an incoming call” at a bandwidth of a minimum of 300 to 3,000
4 Hertz.¹

5 Local Usage

6 ClearTalk provides “local usage,” defined in Section 54.101(a)(2) to mean “an amount of
7 minutes of use of exchange service . . . provided free of charge to end users.”² ClearTalk
8 offers free unlimited minutes of local exchange service as part of all its service plans.

9 Dual Tone Multi-Frequency (“DTMF”) Signaling Or Its Functional Equivalent

10 Dual tone multi-frequency (“DTMF”) is a method of facilitating the rapid transmission of
11 call set-up and call detail information, as defined in Section 54.101(a)(3).³ ClearTalk
12 provides DTMF-compatible service.

13 Single Party Service Or Its Functional Equivalent

14 Under Section 54.101(a)(4), with respect to cellular service, “single party service” means
15 a dedicated message path for the duration of a user’s transmission.⁴ ClearTalk meets this
16 requirement by offering a dedicated transmission path for the duration of each of its
17 customer’s calls.

18 Access To Emergency Services

19 “Access to emergency services” includes access to services, such 911 and enhanced 911
20 (“E911”), provided by local governments or other public safety organizations, as defined

¹ 47 C.F.R. § 54.101(a)(1).
² 47 C.F.R. § 54.101(a)(2).
³ 47 C.F.R. § 54.101(a)(3).
⁴ 47 C.F.R. § 54.101(a)(4).

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1 in Section 54.101(a)(5).⁵ ClearTalk provides 911 service to all of its voice customers and
2 will provide upon request by an affected PSAP all FCC-required E911 access, including
3 providing automatic numbering information (“ANI”) and automatic location information
4 (“ALI”) to public service access points (“PSAPs”) in its service areas that are capable of
5 receiving such information.

6 Access To Operator Services

7 Access to operator services” as defined by Section 54.101(a)(6) means access to any
8 automatic or live assistance to a consumer to arrange for billing or completion, or both, of
9 a telephone call.⁶ ClearTalk makes operator services available to all of its customers.

10 Access To Interexchange Service

11 ClearTalk provides its customers with the ability to make and receive calls over
12 interexchange network facilities. Moreover, ClearTalk provided an affidavit with its
13 Application acknowledging that the Federal Communications Commission (“FCC”) may
14 require it to provide equal access to long distance carriers in the event that no other
15 eligible telecommunications carrier is providing equal access in the service area.

16 Access To Directory Assistance

17 Under Section 54.101(a)(8), “access to directory assistance” means access to a service
18 that includes, but is not limited to, making available to customers, upon request,
19 information contained in directory listings.⁷ ClearTalk meets this requirement by
20 providing access to directory assistance to customers dialing “411” from their wireless
21 handsets.

⁵ 47 C.F.R. § 54.101(a)(5).

⁶ 47 C.F.R. § 54.101(a)(6).

⁷ 47 C.F.R. § 54.101(a)(8).

Toll Limitation For Qualifying Low-Income Consumers

Under Sections 54.101(a)(9) and 54.400(d), “toll limitation” includes the offering of either toll blocking or toll control, for telecommunications carriers that are incapable of providing both services, or both if possible.⁸ “Toll blocking” allows consumers to block outgoing toll calls from their phone, and “toll control” allows consumers to specify a certain amount of toll usage that may be incurred on their telecommunications channel per month or per billing cycle. A billing plan that limits toll charges functions, by its nature, as a toll limitation feature.⁹ Similarly, ClearTalk’s single monthly charge for unlimited minutes functions as a toll limitation feature by enabling customers to make unlimited calls under a single flat fee, eliminating any concerns that customers or the Commission may have about usage charges or long-term contracts. In fact, ClearTalk’s plan is better for customers than prepaid plans, because customers are not blocked from making calls due to the number of minutes they have used.

Q. WILL CLEAR TALK PROVIDE THE SUPPORTED SERVICES TO CUSTOMERS THROUGHOUT THE PROPOSED SERVICE AREA UPON REASONABLE REQUEST?

A. Yes. Pursuant to S.C. Code Ann. Regs. 103-690.C (a)(1)(A), ClearTalk will provide its services throughout its service area to all customers making a reasonable request for service. ClearTalk certifies that it will (1) provide service on a timely basis to requesting customers within the applicant’s service area where the applicant’s network already

⁸ 47 C.F.R. § 54.101(a)(9), 54.400(d).

⁹ See TracFone Wireless, Inc., Order, 24 FCC Rcd 4180, 4186 n.30 (2008) (“We find that the prepaid nature of TracFone’s service offering works as an effective toll control.”) (“TracFone Order”).

1 passes the potential customer's premises; and (2) provide service within a reasonable
2 period of time, if the potential customer is within the applicant's licensed service area but
3 outside its existing network coverage, if service can be provided at reasonable cost by: (a)
4 modifying or replacing the requesting customer's equipment; (b) deploying a
5 roof-mounted antenna or other equipment; (c) adjusting the nearest cell tower; (d)
6 adjusting network or customer facilities; (e) reselling services from another carrier's
7 facilities to provide service; or (f) employing, leasing or constructing an additional cell
8 site, cell extender, repeater, or other similar equipment.

9
10 **Q. IS CLEARTALK WILLING TO ADVERTISE THE AVAILABILITY OF ITS**
11 **SERVICES IN SOUTH CAROLINA, INCLUDING THE AVAILABILITY OF**
12 **LIFELINE?**

13 A. Yes. ClearTalk will advertise the availability and charges of the supported services using
14 media of general distribution, in a manner designed to inform the general public within
15 its designated service areas. Specifically, it will employ a combination of media
16 channels, such as broadcast and paper media, outdoor advertising, direct marketing, and
17 online advertising. A detailed advertising plan is included at **Exhibit A** of the
18 Application and certification by affidavit at **Exhibit B** of the Application.

19
20 **Q. HOW WILL CLEARTALK REMAIN FUNCTIONAL IN EMERGENCY**
21 **SITUATIONS?**

22 A. ClearTalk's network has reasonable amounts of back-up power to ensure functionality
23 without an external power source, and has implemented reasonable practices to reroute

1 traffic around damaged facilities and manage traffic spikes resulting from emergency
2 situations. This includes a point to point fiber backhaul that allows for circuit re-routing
3 in the event of any circuits failing.

4
5 **Q. HOW WILL CLEAR TALK COMPLY WITH APPLICABLE CONSUMER**
6 **PROTECTION AND SERVICE QUALITY STANDARDS?**

7 A. Pursuant to Commission Rule 103-690.C (a)(1)(C)(3), ClearTalk will abide by the
8 Cellular Telecommunications and Internet Association's (CTIA's) Consumer Code for
9 Wireless Service ("CTIA Code").

10
11 **Q. HOW WOULD THE PUBLIC INTEREST BE SERVED BY A GRANT OF ETC**
12 **STATUS TO CLEAR TALK?**

13 A. Designating ClearTalk as a Lifeline-only ETC would serve the public interest generally
14 and benefit low income consumers in particular. Such a designation would increase
15 consumer choice of both carriers and service plans in the requested service areas.
16 ClearTalk's service plans are of particular value to low income consumers, because they
17 offer unlimited minutes, fixed low monthly charges, and no credit check, deposit, or
18 long-term commitment. Therefore, ClearTalk provides a vital service to South Carolina
19 consumers who might not otherwise be able to afford or qualify for service provided by
20 other wireless carriers, thereby encouraging participation in the Lifeline program.

21
22 **Q DOES THIS CONCLUDE YOUR TESTIMONY?**

23 A. Yes.